

they don't go down and I can understand your point. It is well taken.

SENATOR DUIS: Well, we got some real recent ones that would come under the old statute, I presume, and not have to have double the amount, is that correct?

SENATOR MILLS: There has been twelve new ones formed, Senator Duis, since, I believe, 1976.

SENATOR DUIS: Yes, but they would only be required to have the original amount of capital stock.

SENATOR MILLS: That is correct.

SENATOR DUIS: But the new ones will be doubled?

SENATOR MILLS: That is correct and the new ones would also have to prove public necessity which the ones that you have mentioned previously did not.

SENATOR DUIS: Thank you.

PRESIDENT: Senator Mills, do you want to close on your motion?

SENATOR MILLS: Mr. President, I want to make it very clear for those few who are listening. Thank you, Mr. President, for acknowledging you are listening.

PRESIDENT: I'm all ears.

SENATOR MILLS: Okay. For those few of you who are interested in LB 259 I want to make it clear to you, number one, that if any of your constituents or you and yourself would want to apply for a state chartered Industrial Loan and Investment Company in the State of Nebraska, if this amendment passed, you would be in the same position as if you were asking for a charter of a new bank. You would have to prove necessity, which I think is realistic. Secondly, if you were granted that charter you would not have by this amendment, the ability to branch as I think they perhaps do now, and thirdly, as Senator Duis has brought about, there has been a great deal of concern and consternation on the part of those people involved in finance in the State of Nebraska, even those people who own banks and even some of those people who own banks who own Industrials, of which there are a number of banks who own Industrials, that perhaps they are under capitalized, that perhaps this statute is so old that perhaps they should be capitalized much as banks. Now as you realize, looking at a state bank, they can loan money to their customers on their capitalization structure. It is twenty five percent. They can make a loan to an individual of twenty five percent of their capital structure. That is their capital and surplus added together. So you see, that in order for them to bring about more business, to loan more money, they must in turn, put more money into their capital structure and this is the intent behind this particular amendment, making those Industrials that would be chartered to have more money in their capital account. I think it is very clear. The record will show if you choose to look or those who succeed us or those who have concerns about Industrials, the record will show that we are trying to prove public necessity. They are outlawing branching and doubling their capital structure. I ask for the adoption of the amendment.